

# PAYWARD LTD

## CRYPTO ASSET RISK DISCLOSURE

### AZTEC (AZTEC)

Last updated on 19 September 2025

#### Disclaimer

*Please note that this Crypto Asset Statement is not exhaustive of all risks associated with trading AZTEC. Investors should perform their own assessment to determine the appropriate level of risk for their personal circumstances. Be sure to do your own research and due diligence while taking into account your own financial situation and risk tolerance. Please review the [Risk Summary](#) for additional discussion of general risks associated with the assets made available in the platform. These materials are for general information purposes only and are not investment advice or a recommendation or solicitation to buy, sell or hold any crypto asset or to engage in any specific trading strategy. The information contained in this Crypto Asset Statement is based on publicly available information that may be inaccurate, incomplete, or change at any time.*

#### What is AZTEC and how does it work?

Aztec is a fungible, freely transferable token issued via a smart contract deployed to the Ethereum network. Tokenholders will be able to use their tokens to access the Protocol to execute transactions by paying them to providers of Protocol infrastructure (i.e. Sequencers and Provers) as “gas”. The Aztec Token is not a privacy token, and has no privacy or shielding features.

The network is secured by a permissionless set of sequencers who must stake AZTEC tokens; staked sequencers aggregate transactions into blocks and share rewards with provers that generate the underlying proofs. Within the ecosystem, AZTEC acts as the unit for paying protocol fees (“fee-juice”) and may be accepted by fee-paying contracts so users can cover costs without holding the token directly.

#### Who is behind the project?

Aztec is being developed by Aztec Labs, and led by CEO Zachary Williamson, President Joseph Andrews and COO Lisa Cuesta Bunin.

#### Tokenomics of AZTEC

The total and maximum supply of AZTEC will be fixed at the token-generation event (TGE); no tokens have been minted as of 19 September 2025. Percentages refer to the total or max supply as of 19 September 2025.

Category	Allocation*
Core team	18 %

Investors	24 %
Foundation treasury	17 %
Foundation-controlled grants pool	6 %
Early contributors	15 %
Airdrop	15 %
Future distribution	5 %

\*Allocations are **indicative and subject to change** prior to the Token Generation Event (TGE).

**General Risks**

Like all other digital assets, there are some general risks to investing in AZTEC. These include short history risk, volatility risk, liquidity risk, demand risk, forking risk, code defects, cryptography risk, regulatory risk, concentration risk, electronic trading risk and cyber security risk. For more information on general risks associated with smart contracts and digital assets, see Kraken’s Risk Statement.

**Risks specific to AZTEC**

*Competition Risk*

The Aztec Network faces competition from other cryptocurrencies such as Starknet, zkSync Era and Scroll. Aztec’s value derives from its broader adoption in the market. If the Aztec Network fails to achieve sufficient adoption compared to the other options in the market, this could negatively impact the value of AZTEC.

**Due Diligence**

Prior to listing on the Kraken platform, Kraken performed due diligence on AZTEC and determined it was permitted to make AZTEC available for trading to UK users. Our analysis generally includes, but is not limited to, reviewing publicly available information on the following:

- The creation, governance, usage and design of AZTEC, including the source code, security and roadmap for growth in the developer community and, if available, the background of the developer(s) that created AZTEC;
- The supply, demand, maturity, utility and liquidity of AZTEC;
- Material technical risks associated with AZTEC, including any code defects, security breaches and other threats concerning AZTEC and its supporting blockchain (such as the susceptibility to hacking and impact of forking), or the practices and protocols that apply to them; and
- Legal and regulatory risks associated with AZTEC, including (i) any pending, potential, or prior civil, regulatory, criminal, or enforcement action relating to the issuance, distribution, or use of AZTEC, and (ii) consideration of statements made by any regulators or securities regulatory authorities in the UK, other regulators of the International Organization of Securities

Commissions, or the regulator with the most significant connection to AZTEC about whether AZTEC, or generally about whether the type of crypto asset, is a security and/or derivative.

**Don't invest unless you're prepared to lose all the money you invest. This is a high-risk investment and you should not expect to be protected if something goes wrong. [Take 2 mins to learn more.](#)**

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